

## **TRADEMARK LICENSE AND TRANSFER AGREEMENT**

THIS TRADEMARK LICENSE AND TRANSFER AGREEMENT ("Agreement") is entered into as of the 1<sup>st</sup> day of September, 2001, (the "Effective Date") by and between Pet Life Foods, Inc., a corporation organized under the laws of the State of Illinois ("Pet Life"), and Sergeant's Pet Care Products, Inc., a corporation organized under the laws of the State of Nevada ("Sergeant's").

### **Background**

Pet Life is the owner, in the United States, of certain trademarks, associated and related logos, related trade dress, and trademark registrations as identified on Exhibit A attached hereto (the "Trademarks");

Pet Life desires to sell the Trademarks to Sergeant's and Sergeant's desires to buy the Trademarks and grant Pet Life a license to use certain of the Trademarks.

### **AGREEMENT:**

THEREFORE, in consideration of the mutual covenants exchanged herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

#### **1. Sale of Trademarks.**

a. Sergeant's shall purchase from Pet Life all of Pet Life's right, title and interest in and to the Trademarks identified on Exhibit A. The sale of the Trademarks shall be effective as of September 1, 2001.

b. In addition to the payment of \$600,000, Sergeant's hereby agrees to assume and pay any and all additional payments due to Gaines Pet Foods Corp., pursuant to the Supplier and Royalty Agreement dated November 23, 1999, in an amount of up to \$270,000 and any and all amounts due to Whitecap, Inc., Gerald Shulman and David Kofsky, pursuant to a Sales and Marketing Agreement dated November 16, 1999, in an amount up to \$50,000.

#### **2. License.**

a. Sergeant's hereby grants Pet Life a non-exclusive license to sell products, approved by Sergeant's, under the Trademarks for a period of one year (the "License Period"). During the term of the License Period, Pet Life must notify Sergeant's of the product being sold under the Trademark and Sergeant's shall have the right to monitor the quality of the product being sold and may revoke the license if Pet Life fails to maintain a quality and/or customer service standard acceptable to Sergeant's. Pet Life shall pay to Sergeant's a license fee equal to 5% of net sales as determined by

